THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) to (d) Reserve Bank of India (RBI) had issued standing guidelines to banks in August, 1984 to be followed by them for providing relief in areas affected by natural calamities such as floods, droughts, cyclones, etc. without waiting for instructions from RBI each time. These guidelines envisage, *inter-alia*, conversion of short-term production loans into medium-term loans, rescheduling/postponement of existing term loan instalments; provision of additional need-based crop loans/working capital, relaxation in security and margin norms, etc. These guidelines were further modified in June, 1998 with a view to allow more discretion to banks to decide upon the quantum of relief assistance to be provided to the affected farmers. The modified guidelines, *inter-alia*, permit banks to convert/ reschedule loans from 3 to 9 years depending upon the successive crop failure/intensity of damage to crops, grant fresh crop loans to affected farmers; convert principal as well as interest due on the existing loans; grant consumption loans, not to treat portion of converted/rescheduled loans as Non-Performing Assets, not to compound interest in respect of loans converted/rescheduled, etc.

Weeding out of corruption

3898. SHRI S. RAMACHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news-item captioned "Weeding out the roots of corruption" which appeared in the Hindu on 17th June, 2001;

(b) whether a NGO named Parivartan is helping people not to pay bribes to officials of various public dealing departments; and

(c) if so, what is Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN) : (a) The news-item dated 17.6.2001 appears in the edition dated 18.6.2001 of the "Hindu".

(b) No specific case of corruption was brought to the notice of I.T. Department by Parivartan.

(c) A list of grievances was sent by Parivartan which was redressed in all cases where full in formation was available.

Service Tax on Hire Purchase Finance and Leasing

3899. DR. BIPLAB DAS GUPTA : Will the Minister of FINANCE be pleased to state :

(a) Whether service tax on hire-purchase finance and leasing has been levied with effect from 1st July, 2001;

(b) whether All India Motor Transport Congress (AIMTC) has urged to review and withdraw the levy because of stiff recession and freights having come down; and

(c) if so, what is the reaction of Government on their demands ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN):

(a) Yes Sir, but with effect from 16th July, 2001.

(b) Yes, Sir.

(c) Government has not found it feasible to accede to the request for withdrawal of service tax.

Sebi Reports on Collection of Funds by Companies

3900. DR.KARAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that according to a report by the Securities and Exchange Board of India (SEBI) of August 2, 2001 or so, directors of some 209 firms have been on the run, after generating hundreds of crores of rupees, leaving subscribers in the lurch;

(b) if so, the number of such companies and their State-wise details; and

(c) the steps taken against such companies to secure the interests of the subscribers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The Securities and Exchange Board of India (SEBI) has intimated that as on 30.06.2001,176 companies have been identified as "vanishing companies", i e., those companies which are not